

**EXTRACT FROM THE MINUTES OF A SPECIAL COUNCIL MEETING OF THE MUNICIPAL COUNCIL OF DIHLABENG LOCAL MUNICIPALITY HELD IN THE MARTIE LOTZ HALL, CLARENS ON WEDNESDAY, 25 MAY 2016 AT 12:00**

**PRESENT:**

**IN ATTENDANCE:**

Mr	P D Khiba	-	Acting Municipal Manager/ Chief Financial Officer
Mr	J L Botha	-	Acting Director: Local Economic Development
Ms	M A B Mosima	-	Acting Director: Community Services
Mr	L I Tshabalala	-	Strategic Manager in the Office of the Executive Mayor
Mr	T E Maitse	-	Manager: Marketing and Communication
Mr	J Potsane	-	Manager: IDP
Mr	M T Zondo	-	Manager: PMS
Mr	K Jinika	-	Manager: Internal Audit
Mr	L Mabula	-	Manager: Revenue and Debt Collection

Mr	P Ncala	-	Manager: Fouriesburg Unit
Mr	T E Posholi	-	Manager: Human Resources
Mr	M Machongoane	-	Manager: Water and Sanitation
Mrs	V Mji	-	Manager: Supply Chain
Mr	S Masoeu	-	Acting Manager: Electricity
Ms	N E Mfundisi	-	Manager: Corporate Administration
Ms	M Mabula	-	Manager: Clarens Unit
Ms	L Mosia	-	Acting Manager: Budget and Expenditure
Ms	B G Mhbele	-	Acting Manager: Office of the Council Whip
Ms	C Hlapo	-	Acting Manager: Office of the Speaker
Ms	T V Seobi	-	Acting PA: Office of the Council Whip

**ALSO PRESENT:**

± 350 members of the public.

Mrs L Greyling

Ms M Vermeulen

Vrystaat

Maluti

**SECRETARIAT:**

Mrs	J Etzabeth
Mrs	S M Rautenbach
Mrs	P I Motaung
Ms	B G Tshabalala

**RECORDING OFFICER:**

Mrs S M Rautenbach

**ITEM 1000/2016**

**(DEPARTMENT: FINANCE)**

**APPROVAL OF BUDGET ESTIMATES AND INTEGRATED DEVELOPMENT PLAN FOR THE 2016/2017 FINANCIAL YEAR (F5/1/1)(F2/4/1)**

**RESOLVED:**

1. that Council approves the 2016/17 Budget, which has a total income R 706,504,995 and total expenditure of R 706,504,995 and a total capital budget of R 80,889,000 of which R 8,000,000 from internal funding is included in the total expenditure amount.
2. that Council approves the following major tariff increases as included in the tariff list:

Description	Percentage increases proposed	
	Residential	Business
Water	6.5%	6.5%
Electricity	7.64%	7.64%
Refuse	6.5%	6.5%

Sewerage	6.5%	6.5%
Assessment rates	6.5%	6.5%
Sundry tariffs	10%	10%

3. that the Council approves the budget related policies listed below subject to the following changes from the 2015/16 financial year onwards:

### 3.1 Supply Chain Management

122. The notice may require payment of a non-refundable bid fee by bidders wanting to collect bid documents. This bid fee shall be determined by the **Manager: Supply Chain Management** from time to time.

#### Change: Chief Financial Officer

166. Such communication shall be in the form of a notice issued to all bidders by the **Manager: Supply Chain Management** by either e-mail, facsimile, or registered post as appropriate. A copy of the notice together with a transmission verification report/proof of posting shall be kept for record purposes. Notices should be issued at least one week prior to the bid closing date, where possible.

#### Change: Responsible Agent

285. The reasons for single-source selection must be fully motivated in a report and approved by the Bid Adjudication Committee prior to conclusion of a contract, provided that if the award is for an amount of R200 000 or less, such award shall be approved by the **Director: Supply Chain Management**.

#### Change: Chief Financial Officer

The word "E-venus System" be replaced by "Financial System"

### 3.2 Investment Policy:

#### Investment Property:

#### Paragraph 14.3 Subsequent to initial recognition

~~After initial recognition, investment properties shall not be depreciated but shall be valued at each balance sheet date to determine the fair value. A gain or loss arising from a change in the fair value of investment property shall be included as either gains (revenues) or losses (expenses) in the accounting records of the department or service controlling the assets concerned.~~

~~An expert with the appropriate qualifications, experience and knowledge of local markets shall be engaged by the Dinlabeng Local Municipality to undertake such valuations.~~

**Change: After initial recognition, investment properties shall not be depreciated and shall be kept at cost in accordance with GRAP 16.**

The following policies will not change.

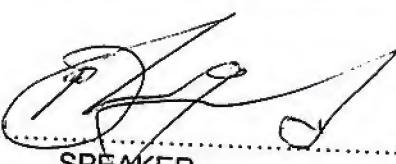
- i. Asset management policy
- ii. Banking and investment policy
- iii. Budget policy
- iv. Credit control and debt collection policy
- v. Tariff policy
- vi. Petty cash policy
- vii. Indigent policy
- viii. Credit control by-law
- ix. Property rates policy
- x. Property rates by-law
- xi. Computer and cell phone policy
- xii. Disposal of land and other immovable assets policy
- xiii. Writing off of bad debts policy
- xiv. Accounting policy

- 4. that Council approves the IDP for the period 2016/17 until 2020/21
- 5. that the related Sector Plans be approved along with the IDP in 4 above for the period cycle of 2017/18 until 2020/2021.
- 6. that it be noted that the Service Delivery and Budget Implementation Plan will be submitted to Council before the end of June 2016 for approval
- 7. that Council approves the short-term facility (overdraft) of R 5 million for the 2016/17 financial year.
- 8. that the Executive Mayor signs the attached resolution in accordance with Section 45(2)(a) of the MFMA for the bank overdraft.
- 9. that the Office of the Speaker embark on a public participation process regarding the installation of smart meters within Dihlabeng Areas before the end of June 2016.
- 10. that after a new Council is appointed in August 2016, the Council should consider a budget review.

**CERTIFIED A TRUE EXTRACT FROM THE MINUTES OF A MEETING OF THE MUNICIPAL COUNCIL OF DIHLABENG LOCAL MUNICIPALITY HELD ON 25 MAY 2016.**

DATE: 30-5-2015

30-5-2015



SPEAKER